

Approved For Release 2000/08/26 : CIA-RDP75-00001R000400190086-0
APR 28 1966

291A

BALTIMORE (UPI) -- THE CENTRAL INTELLIGENCE AGENCY (CIA) THURSDAY CLAIMED ABSOLUTE PRIVILEGE AND PREVENTED A SECRET AGENT FROM TESTIFYING IN A \$10,000 SLANDER SUIT FILED AGAINST HIM.

U.S. DISTRICT COURT CHIEF JUDGE ROSZEL THOMSEN RECESSED THE CASE UNTIL MAY 13. AT THAT TIME HE WILL HEAR ARGUMENTS ON WHETHER THE CASE SHOULD BE DISMISSED.

THE SUIT WAS FILED BY AN ESTONIAN-BORN CANADIAN CITIZEN, ERIK HEINE, 46, OF REXDALE, ONT., AGAINST JURI RAUS, OF HYATTSVILLE, MD. THE SUIT ALLEGES THAT RAUS TRIED TO RUIN THE REPUTATION OF HEINE BY SPREADING THE WORD THAT HEINE WAS A DOUBLE AGENT WORKING FOR THE RUSSIANS.

BOTH HEINE AND RAUS ARE MEMBERS OF ORGANIZATIONS WORKING TO FREE ESTONIA FROM COMMUNIST RULE.

THE CIA HAS ACKNOWLEDGED THAT RAUS, AN ENGINEER USING HIS JOB WITH THE U.S. BUREAU OF ROADS AS HIS "COVER," IS ONE OF ITS AGENTS.

INVOLVED IN THE CASE IS RUMORS WHICH THE CIA SUPPLIED TO RAUS TO BE CIRCULATED. A CIA AFFIDAVIT SAID THE MATERIAL WAS INTENDED "TO PROTECT THE INTEGRITY OF THE AGENCY'S FOREIGN INTELLIGENCE SOURCES."

HEINE CLAIMED SUCH INFORMATION RUINED HIS REPUTATION AS A LECTURER ON ANTI-COMMUNISM AND THAT DOUBTS WERE THROWN ON HIS EXPLOITS AS A FIGHTER FOR A FREE ESTONIA.

RAUS TOOK THE WITNESS STAND THURSDAY BUT WAS PERMITTED ONLY TO SAY HE HAD GOTTEN MONEY FROM THE CIA. HE WAS NOT PERMITTED TO SAY HOW MUCH HE RECEIVED, FROM WHOM HE RECEIVED IT, OR WHAT IT WAS FOR.

CIA GENERAL COUNSEL LAWRENCE HOUSTON CLAIMED THE AGENCY HAD ABSOLUTE STATUTORY PRIVILEGE IN TELLING RAUS NOT TO ANSWER QUESTIONS. HOUSTON SAID RAUS HAD SIGNED A SECRECY AGREEMENT AND WAS ACTING IN THE NATIONAL INTEREST WHEN HE GAVE OUT INFORMATION THE CIA TOLD HIM TO.

RH/RG286D